

BANCORP OHIO

CORPORATION

## 1972 Annual Report

CLEVELAND PUBLIC LIBRARY  
BUSINESS REF. BUR.  
CORPORATION FILE

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## **BANCOHIO CORPORATION**

51 North High Street  
Columbus, Ohio 43216

**NASDAQ SYMBOL:** BOHI

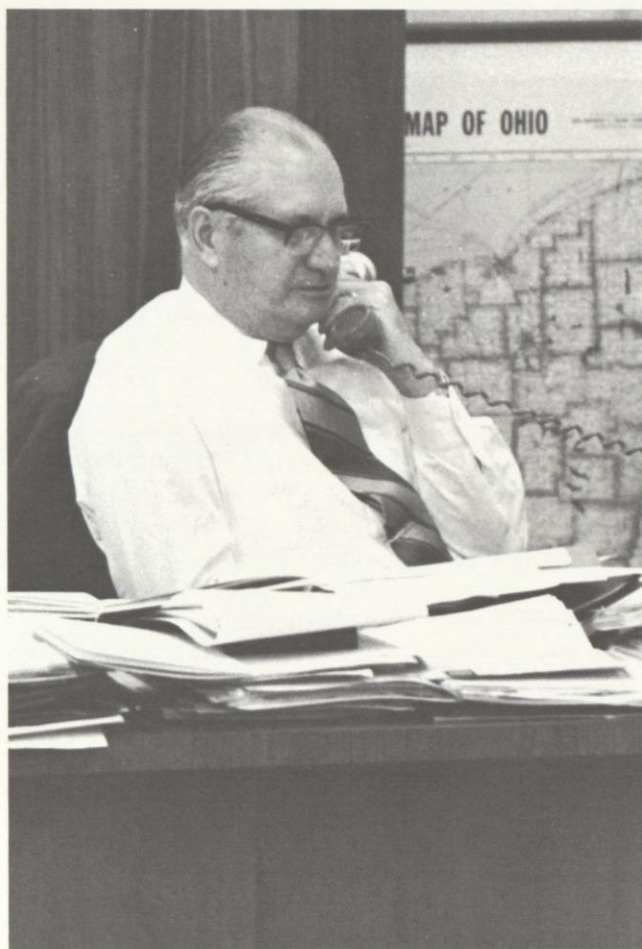
### **Transfer Agent:**

The Ohio National Bank of Columbus  
51 North High Street, Columbus, Ohio 43216

*The next annual meeting of shareholders of BancOhio Corporation will be held at 10:00 a.m. on March 28, 1973, at The Neil House Motor Hotel, Columbus, Ohio. All shareholders are invited to attend. Those who cannot be present in person are urged to sign their proxies and to return them promptly.*

# **BANCOHIO CORPORATION**      **Financial Highlights**

<i>For the Year</i>	1972	1971	Increase
Income before			
Securities Gains.....	<b>\$17,744,189</b>	\$14,917,047	\$2,827,142
per share.....	<b>2.68</b>	2.26	.42
Net Income.....	<b>18,745,914</b>	17,759,848	986,066
per share.....	<b>2.83</b>	2.69	.14
Cash Dividends.....	<b>6,288,005</b>	5,819,754	468,251
per share.....	<b>.96</b>	.92	.04
<i>At the Year End</i>			
Assets.....	<b>\$2,531,760,067</b>	\$2,180,004,705	\$351,755,362
Deposits.....	<b>2,151,180,926</b>	1,902,625,167	248,555,759
Loans.....	<b>1,174,673,970</b>	967,486,616	207,187,354
Reserves for Possible			
Loan Losses.....	<b>20,018,602</b>	18,645,841	1,372,761
Shareholders' Equity.....	<b>170,153,200</b>	157,919,904	12,233,296
per share.....	<b>25.58</b>	23.89	1.69
Affiliated Banks.....	<b>32</b>	28	4
Banking Offices.....	<b>151</b>	131	20



*Greenville T. Pace, Senior Vice President, Investments*



*James W. Wentling, Vice President, Marketing and Business Development*



*Robert F. Weber, Vice President, Operations and Administration*  
*The Ohio National Bank Operations Center*



### To Our Shareholders:

1972 was a year of substantial growth and increased profitability for BancOhio Corporation. At year end BancOhio exceeded \$2.5 billion in total assets, a 16.1 per cent increase over the total resources one year earlier.

Consolidated income before securities gains and losses in 1972 rose 18.6 per cent over last year to \$2.68 per common share. After securities gains and losses consolidated net income per share amounted to \$2.83, an increase of 5.2 per cent over the 1971 earnings. Figures have been adjusted for the four per cent stock dividend paid in December 1972, making the seventh consecutive year BancOhio has issued a stock dividend in addition to the cash dividends of \$1.00 per share.

Significant to the growth of BancOhio during the year was the completion of the following four affiliations: The Niles Bank Company, Niles; The Ohio Savings and Trust Company, New Philadelphia; The Central National Bank at Cambridge; and Community National Bank, Loveland, a new national bank. In addition, BancOhio recorded the mergers of The Peoples Bank, Thornville, into BancOhio's New Lexington affiliate, The Perry County Bank, and The Johnstown Bank into The First National Bank of Newark, an affiliate of BancOhio. With the inclusion of these banks by December 31, 1972, BancOhio's 32 affiliated banks operated 151 banking offices, more than any other financial institution in Ohio.

Early in 1973, the Corporation received the required approval from the Federal Reserve Board of Governors on the proposed affiliations of: Capital National Bank, Cleveland; The Western Security Bank, Sandusky; and

The Peoples Savings Bank Company, Delta. Approval was secured in December, 1972 from the Comptroller of the Currency which led to the January 15, 1973, merger of Citizensbank National Association, Felicity, into Community National Bank, BancOhio's new Loveland affiliate. The merger gives the Corporation three additional branch offices in Clermont County under the name Citizensbank National Association, with the main office located in Loveland.

Agreements were reached during the last half of 1972 providing for the affiliations of The Peoples National Bank of Greenfield, in Highland County, and The Cummings Bank Company, Carrollton, in Carroll County. On January 28, 1973, the Directors of The Imperial State Bank, Vandalia, announced their acceptance of the proposal to affiliate with BancOhio. All three proposals are awaiting regulatory approval.

In March 1972, BancOhio made a significant entry into the field of bank-related activities with the incorporation of Ohio BancLease, Inc., a wholly-owned subsidiary of the Corporation engaged in leasing professional, business and industrial equipment. Bank-related activities such as leasing are permitted for BancOhio according to the Bank Holding Company Act Amendments of 1970 and the amendments to the BancOhio Articles of Incorporation in 1971. Since its inception Ohio BancLease has shown a rapid increase in business volume with a solid growth potential for 1973.

In May 1972, BancOhio completed the sale of \$25 million of 7 per cent notes due November 15, 1979. A portion of the proceeds has been used to provide capital funds in various affiliated banks and as working capital for non-banking affiliates for the Corporation; the re-



maining proceeds will be similarly used and also will finance the acquisition of certain new banking affiliates.

At the annual BancOhio Shareholders Meeting of 1972 several significant changes were approved. Shareholders voted to amend the Articles of Incorporation to increase the number of authorized preferred shares from 200,000 to 800,000 and to decrease the par value on these shares from \$100 to \$25. The amendment also permits the issuance of preferred shares for any proper corporate purpose. While no preferred shares have been issued, this amendment gives the Corporation greater flexibility in pursuing opportunities for expansion of present activities as well as for diversification. In other action, shareholders elected John L. Burgoon, senior vice president, secretary and treasurer of BancOhio, to the Board of Directors and elected George W. Kauffman, president of Kauffman-Lattimer Co., to his first full term as a Director.

At the 1973 Annual Meeting the following men will retire from the Board: Leland A. Stoner, retired chairman of The Ohio National Bank; Edward A. Hanf, retired senior vice president and treasurer of the Corporation; and Henry M. O'Neill Sr., chairman emeritus and director of Beverage Management Inc. Collectively, these men have rendered 80 years of valued and dedicated service to BancOhio.

During the past several years BancOhio has demonstrated its ability to expand rapidly and aggressively while maintaining the long-standing policy of making acquisitions which do not cause any significant or permanent earnings dilutions to shareholders. As we continue affiliation and diversification activities we intend also to maximize the strengths of existing entities

to further corporate profit potential.

The favorable outlook for continued growth in output and employment and a decisive upswing in capital spending in Ohio finds BancOhio Corporation entering 1973 well-positioned as a multi-bank holding company with state-wide orientation. BancOhio will continue its leadership in serving the expanding needs of its wide spectrum of customers and in developing the financial and business potential of its newly acquired markets.

On behalf of the Boards of Directors, officers and employees of BancOhio Corporation and the affiliates, I express appreciation for your continued support and interest.

Philip F. Searle  
*President and Chief Executive Officer*

February 17, 1973  
Columbus, Ohio

## REVIEW OF OPERATIONS

### Affiliations

Four affiliations with BancOhio Corporation were consummated during 1972, expanding corporate services into four counties in the northern and southern sectors of Ohio. The following new affiliated banks reported combined total resources of \$110 million on December 31, 1972: The Niles Bank Company, operating three offices in Trumbull County which is an important industrial area; The Ohio Savings and Trust Company, New Philadelphia, with three offices in Tuscarawas County; The Central National Bank at Cambridge, which operates five branches in Guernsey County; and Community National Bank, Loveland, a new national bank opening for business in February 1972. Three of the banks were acquired through an exchange of stock, while Community National Bank was acquired through the BancOhio purchase of the entire capital stock of the bank.

On January 15, 1973, a merger was completed joining Citizensbank National Association, Felicity, with BancOhio's new Loveland affiliate, broadening service to four offices and assets to more than \$14 million at the merger date. Citizensbank National Association has been retained as the name of the resultant bank. During 1972 two Ohio banks were brought into the Corporation through mergers with existing affiliates: The Johnstown Bank into The First National Bank of Newark; and The Peoples Bank, Thornville, into The Perry County Bank, New Lexington.

Signifying continuing corporate growth were an additional five banks which announced intentions to affiliate with BancOhio during 1972: The Western Security Bank, Sandusky, in May; The Peoples Savings Bank Company, Delta, in June; Capital National Bank, Cleveland,

in July; The Peoples National Bank of Greenfield, in September; and The Cummings Bank Company, Carrollton, in December. The Federal Reserve Board has approved the first three affiliations.

On January 28, 1973, the Board of Directors of The Imperial State Bank, Vandalia, announced its recommendations to shareholders in favor of an affiliation with BancOhio Corporation. Approval of the affiliation by the appropriate regulatory authorities will permit the first entry of a multi-bank holding company into the rapidly growing Montgomery County market.

### New Facilities

BancOhio affiliates completed more than 20 major building and remodeling projects during 1972.

New branch offices were opened by The Ohio National Bank, The Ohio State Bank, The First National Bank of Marysville, and The First National Bank of Newark. In January 1973, two new banking offices were opened: Drive-In Office of The Adams Bank, Millersburg; and the Reynoldsburg Office of The Ohio National Bank at Brice Road and Livingston Avenue.

New buildings for existing branch offices were opened by The Ohio National Bank, The Ohio State Bank, Akron National Bank and Trust Company, and The First National Bank of Newark.

Remodeling and expansion projects at existing facilities were completed by Community National Bank, Loveland, The First National Bank of Newark, The First National Bank of Chillicothe, The Citizens Banking Company, Perrysburg, Akron National Bank and Trust Company, and The Community Bank, Napoleon.

Combined costs of these construction programs exceeded \$4.1 million, representing a substantial in-



*C. Wade Terry, Vice  
President, Consumer  
Loan Coordination*



*Around-the-clock banking services through "Anytime Bank"*

vestment in extending service capabilities in existing and new market areas.

Among the many projects slated for 1973 are the new Main Office for The Farmers and Merchants Bank of Logan and the West Office of The First National Bank of Springfield.

#### **Anytime Bank**

The "Anytime Bank," introduced in 1972 by two BancOhio affiliates, reflects the rapid technological advancements in banking and BancOhio's dedication to meet changing customer needs. These automatic teller machines provide customers the convenience of transacting eleven separate banking services, representing about 90 per cent of all banking activity, on a 24-hour basis. Five of the machines have been installed in strategic locations in Central Ohio by The Ohio National Bank and two in Licking County by The First National Bank of Newark.

Operation of the Anytime Bank is accomplished by the insertion of a magnetic stripe Master Charge Card or Anytime Bank Card. Easy to follow, step by step instructions provided through a viewing window by the internal computer system guide the customer through his transaction.

The Ohio National Bank is in the process of installing self-service postal units at several Anytime Bank locations. Employees of the U.S. Postal Service are responsible for this equipment, which includes a stamp dispenser, coin changer, letter drop and parcel post weighing drop facilities. All postal services are provided at regular rates.

During the coming year it is expected that Anytime

Banks, a service mark of BancOhio Corporation, will be installed by additional affiliates. Ohio National Bank has already announced plans to install additional Anytime Banks.

#### **Operations Center**

The Ohio National Bank Operations Center, opened in mid-1972, is one of the largest and most significant banking facilities ever constructed in Ohio.

The significance of the Center is its capability to provide computer and data processing services for BancOhio affiliates and Ohio National Bank offices more efficiently and effectively than within the offices of the individual banks. The resultant cost savings and greater efficiency should materially affect consolidated operating results in the years ahead.

The four-story Center, encompassing more than 120,000 square feet of floor space, houses computer and data processing equipment to process such items as demand deposits, savings deposits, consumer credit, Master Charge, trust services, consumer credit and mortgage loans for affiliates and for correspondent banks of The Ohio National Bank. About 600 employees staff the Center which operates on an around-the-clock basis. The Center also serves as The Ohio National Bank West Side Office, located on the ground floor.

The site for the Center on West Broad Street in Columbus was in part selected with the thoughts by Ohio National Bank planners that such an ultramodern structure would stimulate building redevelopment in that sector of the city.

#### **Personnel**

At the close of 1972 BancOhio Corporation employ-



*John W. Wolfe,  
Vice President*



*The new Operations Center provides computer and data processing services for BancOhio affiliates.*

ees within the subsidiaries and corporate headquarters totaled 3,931—double the number employed by BancOhio five years ago. This group of nearly 4,000 officers and staff have functioned consistent with the excellent growth record achieved by BancOhio in recent years. Contributing to this fine record have been the expertise and needed perspective of the 362 members of the various Boards of Directors.

The only chief executive change in 1972 was effected by the retirement of Lloyd L. Davis, Chairman of the Board and chief executive officer of The First National Bank of Chillicothe. Following his retirement in July, Cornell Hunter was promoted to President and Chief Executive Officer of First National Bank. Other retirements effective during 1972, included: Derrol R. Johnson from Chairman of the Board of BancOhio Corporation and Leland Stoner from Chairman of the Board of The Ohio National Bank of Columbus. Elected to fill vacancies on the BancOhio Board were John L. Burgoon, senior vice president, secretary and treasurer of BancOhio, and George Kauffman, president of Kauffman-Lattimer Company. BancOhio's Board of Directors named two new corporate officers during 1972: Edward W. Miller, Jr. who is general manager and vice president of Ohio BancLease, Inc., to assistant vice president and Larry S. Rinehart to investment operations officer. In other action during the year, Robert M. Edwards, vice president of the Legal and Regulatory Department, was given the additional responsibility of assistant secretary. During 1972 more than \$500,000 in benefits were made available to corporation employees in addition to nearly \$100,000 paid on life insurance claims from the comprehensive group health and life insurance program which was adopted in 1970.

## BANK RELATED ACTIVITIES

### Ohio BancLease, Inc.

In September 1971, BancOhio shareholders voted to alter the Articles of Incorporation to allow the Corporation to expand into the area of bank-related activities. By the same time in 1972, BancOhio had formed Ohio BancLease, Inc., a wholly-owned subsidiary which has the capability of leasing any type or combination of professional, business or industrial equipment or machines, including non-licensed vehicles.

In its first months of operations the company has experienced an exciting and promising growth. Its versatility and growth potential is indicated by current involvement in the leasing of such diverse items as machinery for pottery works, fixtures for movie theaters, oil and gas well machines, farm equipment, printing machines, coal mining equipment and car wash machinery. Ohio BancLease is also participating in several leverage leasing arrangements with banks across the United States.

Offices of Ohio BancLease are located with BancOhio headquarters in Columbus. However, leasing arrangements may be conducted through all BancOhio affiliated banks.

### Other Activities

In 1970 amendments to the Bank Holding Company Act provided for the expansion of multi-bank holding companies like BancOhio Corporation into bank-related activities, or activities closely related to banking or to managing or controlling banks. The Federal Reserve Board of Governors has delineated several financially-related services the bank holding companies may incor-

porate. Among these services are leasing (Ohio Banc-Lease, Inc.), the making of industrial and mortgage loans, investment counseling, trust services, and finance and credit card loans.



*Ken K. Feintheil, Vice President, Bank Affiliations and Corporate Development*

## INDUSTRY POSITION

### **BancOhio Corporation**

Since its incorporation in 1929, BancOhio has been the largest multi-bank holding company in Ohio in total assets, number of affiliated banks and number of banking offices. BancOhio Corporation in 1972 continued the dedication of its efforts to strengthen its competitive position in each of the markets in which affiliates are domiciled and to increase its customer base through expansion into other key Ohio markets.

As a result of the expansion program begun in 1969, the number of affiliated banks on December 31, 1972 had increased from 22 to 32, banking offices from 88 to 151, counties serviced from 21 to 31, consolidated deposits from \$1.1 billion to \$2.2 billion and total assets from \$1.3 billion to \$2.5 billion. Pending affiliations would add six banks, 26 banking offices, six counties served, \$224.9 million in deposits and \$248.7 million in assets, based on 1972 year-end figures.

Currently, BancOhio affiliates are capable of serving 38.7 per cent of Ohio's 10,652,017 population, accounting for 34.8 per cent of total bank deposits and 38.1 per cent of effective buying income in Ohio.

Ohio is a well-diversified state, with an economy deriving from manufacturing, commerce, agriculture, transportation, mining, technology and tourism. Ranked first in the United States in capital expenditures amounting to \$2.0 billion, third in value added by manufacturing of \$24.2 billion and fifth in disposable income of \$38.6 billion, Ohio presents a tremendous opportunity for a progressive and dynamic statewide multi-bank holding company such as BancOhio Corporation. Ohio has eight major metropolitan areas of which it is projected that seven will be serviced by BancOhio affiliates by the end of 1973.

## FINANCIAL SUMMARY



*James Supinger, President,  
Community National Bank,  
Loveland*

### Earnings

Consolidated income of BancOhio and its affiliated banking and non-banking subsidiaries reached a record high of \$17,744,189 in 1972, an increase of \$2,827,142 over the \$14,917,047 earned in 1971. This represents a per share earnings of \$2.68 in 1972 and \$2.26 in 1971, an increase of 18.6 per cent. Consolidated net income after securities gains and losses, for the same twelve month periods, was \$18,745,914 in 1972 or \$2.83 per common share as compared with \$17,759,848 in 1971 or \$2.69 per share, an increase of 5.2 per cent. These financial results were computed on the average shares outstanding in each period which were 6,633,628 in 1972 and 6,603,231 in 1971. Figures have been adjusted for the stock dividend paid in December 1972.

Consolidated gross operating revenue for 1972 totaled \$136,331,057 which was 18.9 per cent over the amount earned for the year 1971. The greatest source of income in 1972, as in previous years, was interest on loans which increased \$11,297,061 to \$82,102,757 in 1972.

Total consolidated operating expenses of \$115,641,868 for 1972 were 18.4 per cent greater than in 1971. Of the expenses, the largest amount of increase was in the category of interest paid on deposits which rose \$9,946,857 to \$54,567,745 in 1972.

### Dividends

For the seventh consecutive year holders of BancOhio common stock received a four per cent stock dividend in addition to regular quarterly cash dividends.

The four quarterly cash dividends of 25 cents per share of a total of \$1.00 paid in 1972 represent the



*Ralph L. Hughes, Vice President and Director of  
Data Processing*



*John L. Burgoon, Senior Vice President,  
Secretary and Treasurer*



*David B. Abbuhl, (left) President, The Ohio Savings and Trust  
Company, New Philadelphia*

maximum increase allowable under the dividend guidelines as set forth by the Committee on Interest and Dividends of the Cost of Living Council.

Total cash dividends for 1972 rose to \$6,288,005 as compared to \$5,819,754 in 1971. Total cash dividends per common share, adjusted for the stock dividend, were 96 cents in 1972 compared to 92 cents in 1971.

#### Capital Funds

Capital funds at December 31, 1972 totaled \$170,153,200 or \$25.58 per common share compared to \$157,919,904 or \$23.89 per common share on December 31, 1971. Combined capital, surplus and loan reserves now equal \$28.59 per share contrasted with \$26.70 at the end of 1971.

In 1972, the Corporation exchanged 316,467 shares of its common stock for the capital stock of those banks affiliated in 1972. An additional 250,334 shares were issued in payment of the four per cent stock dividend declared in November 1972, further increasing the stock outstanding.

On March 22, 1972 shareholders amended the Articles of Incorporation to change the number and the par value of preferred shares authorized from 200,000 shares of \$100 par value to 800,000 shares of \$25 par value.

#### Loans and Deposits

The consolidated loan accounts of the affiliated banks reached record levels in 1972 as the demand for bank credit remained strong throughout the year. Total loans from December 31, 1971 to December 31, 1972 increased



*Robert M. Edwards,  
Vice President and  
Assistant Secretary,  
Legal and Regulatory*



*Willard Patton (left), President, The Central National Bank  
at Cambridge*

*Philip A. Goldslager, Comptroller*



*Peter D. Webster, Auditor*

*James C. Hoover, Vice President, Credit Services Department*



\$207,187,354 or 21.4 per cent, over the same period one year earlier. By December 31, 1972 loans totaled \$1,174,673,970 compared with \$967,486,616 on the same date in 1971.

Total deposits of the subsidiary banks increased 13.1 per cent or \$248,555,759 during 1972 as they totaled \$2,151,180,926 at year-end. Growth was nearly equally divided between time and savings deposits and demand deposits for 1972.

#### **Investments**

At December 31, 1972 the consolidated investment accounts of the Corporation and subsidiary banks amounted to \$1,006,387,261 as compared to \$909,880,678 on the same date in 1971. The largest portion of this \$96,506,583 increase was in higher yielding Federal agency and corporate securities. This contributed to the increase in taxable equivalent income yield on the consolidated account from 6.02 per cent at December 31, 1971 to 6.39 per cent at December 31, 1972.

During the year, significant bond profits were realized by the affiliated banks. Bond profits before taxes totaled \$1,926,725, while bond profits after taxes totaled \$1,001,725. Gross earnings on the consolidated investment account amounted to \$43,528,973 in 1972 compared to \$34,192,416 in 1971.

*James H. Berline, (right) President,  
The Niles Bank Company, Niles*

<p><b>1</b> <b>The Ohio National Bank of Columbus</b> Walter C. Mercer President and Chief Executive Officer 34 Offices</p> <table> <tr> <th>Assets</th><th>Deposits</th><th>Loans</th><th>Capital Funds</th></tr> <tr> <th></th><th>(000,000)</th><th></th><th>(000)</th></tr> <tr> <td>1972</td><td>1,160.2</td><td>967.2</td><td>516.2</td></tr> <tr> <td>1971</td><td>1,041.6</td><td>895.9</td><td>419.6</td></tr> <tr> <td></td><td></td><td></td><td>75,381</td></tr> </table>	Assets	Deposits	Loans	Capital Funds		(000,000)		(000)	1972	1,160.2	967.2	516.2	1971	1,041.6	895.9	419.6				75,381	<p><b>2</b> <b>Akron National Bank &amp; Trust Company</b> Vincent H. Johnson Chairman and Chief Executive Officer 18 Offices</p> <table> <tr> <th>Assets</th><th>Deposits</th><th>Loans</th><th>Capital Funds</th></tr> <tr> <th></th><th>(000,000)</th><th></th><th>(000)</th></tr> <tr> <td>1972</td><td>327.8</td><td>283.1</td><td>180.7</td></tr> <tr> <td>1971</td><td>279.3</td><td>243.9</td><td>157.1</td></tr> <tr> <td></td><td></td><td></td><td>17,716</td></tr> </table>	Assets	Deposits	Loans	Capital Funds		(000,000)		(000)	1972	327.8	283.1	180.7	1971	279.3	243.9	157.1				17,716	<p><b>3</b> <b>The Logan County Bank, Bellefontaine</b> Charles M. Welsh Executive Vice President and Cashier 3 Offices</p> <table> <tr> <th>Assets</th><th>Deposits</th><th>Loans</th><th>Capital Funds</th></tr> <tr> <th></th><th>(000,000)</th><th></th><th>(000)</th></tr> <tr> <td>1972</td><td>15.4</td><td>13.8</td><td>5.6</td></tr> <tr> <td>1971</td><td>12.7</td><td>11.3</td><td>5.2</td></tr> <tr> <td></td><td></td><td></td><td>976</td></tr> </table>	Assets	Deposits	Loans	Capital Funds		(000,000)		(000)	1972	15.4	13.8	5.6	1971	12.7	11.3	5.2				976	<p><b>4</b> <b>The First National Bank of Cadiz</b> Kenneth C. Cramblett President 1 Office</p> <table> <tr> <th>Assets</th><th>Deposits</th><th>Loans</th><th>Capital Funds</th></tr> <tr> <th></th><th>(000,000)</th><th></th><th>(000)</th></tr> <tr> <td>1972</td><td>20.1</td><td>18.0</td><td>7.1</td></tr> <tr> <td>1971</td><td>16.7</td><td>14.6</td><td>6.8</td></tr> <tr> <td></td><td></td><td></td><td>1,219</td></tr> <tr> <td></td><td></td><td></td><td>1,169</td></tr> </table>	Assets	Deposits	Loans	Capital Funds		(000,000)		(000)	1972	20.1	18.0	7.1	1971	16.7	14.6	6.8				1,219				1,169												
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<p><b>9</b> <b>First National Bank of Coshocton</b> Charles H. Edmund President 2 Offices</p> <table> <tr> <th>Assets</th><th>Deposits</th><th>Loans</th><th>Capital Funds</th></tr> <tr> <th></th><th>(000,000)</th><th></th><th>(000)</th></tr> <tr> <td>1972</td><td>52.6</td><td>46.5</td><td>23.5</td></tr> <tr> <td>1971</td><td>46.1</td><td>41.0</td><td>20.1</td></tr> <tr> <td></td><td></td><td></td><td>3,439</td></tr> <tr> <td></td><td></td><td></td><td>3,143</td></tr> </table>	Assets	Deposits	Loans	Capital Funds		(000,000)		(000)	1972	52.6	46.5	23.5	1971	46.1	41.0	20.1				3,439				3,143	<p><b>10</b> <b>The First National Bank of Delaware</b> Kenneth E. Snyder President 4 Offices</p> <table> <tr> <th>Assets</th><th>Deposits</th><th>Loans</th><th>Capital Funds</th></tr> <tr> <th></th><th>(000,000)</th><th></th><th>(000)</th></tr> <tr> <td>1972</td><td>43.2</td><td>38.6</td><td>22.1</td></tr> <tr> <td>1971</td><td>38.2</td><td>34.0</td><td>17.9</td></tr> <tr> <td></td><td></td><td></td><td>2,625</td></tr> <tr> <td></td><td></td><td></td><td>2,457</td></tr> </table>	Assets	Deposits	Loans	Capital Funds		(000,000)		(000)	1972	43.2	38.6	22.1	1971	38.2	34.0	17.9				2,625				2,457	<p><b>11</b> <b>The First National Bank of East Palestine</b> Lester E. Hart President 3 Offices</p> <table> <tr> <th>Assets</th><th>Deposits</th><th>Loans</th><th>Capital Funds</th></tr> <tr> <th></th><th>(000,000)</th><th></th><th>(000)</th></tr> <tr> <td>1972</td><td>15.2</td><td>13.8</td><td>5.5</td></tr> <tr> <td>1971</td><td>13.3</td><td>12.1</td><td>4.7</td></tr> <tr> <td></td><td></td><td></td><td>969</td></tr> <tr> <td></td><td></td><td></td><td>930</td></tr> </table>	Assets	Deposits	Loans	Capital Funds		(000,000)		(000)	1972	15.2	13.8	5.5	1971	13.3	12.1	4.7				969				930	<p><b>12</b> <b>The First National Bank of Jackson</b> Daniel E. Washam President 2 Offices</p> <table> <tr> <th>Assets</th><th>Deposits</th><th>Loans</th><th>Capital Funds</th></tr> <tr> <th></th><th>(000,000)</th><th></th><th>(000)</th></tr> <tr> <td>1972</td><td>37.4</td><td>33.0</td><td>15.3</td></tr> <tr> <td>1971</td><td>33.7</td><td>28.3</td><td>13.9</td></tr> <tr> <td></td><td></td><td></td><td>2,631</td></tr> <tr> <td></td><td></td><td></td><td>2,452</td></tr> </table>	Assets	Deposits	Loans	Capital Funds		(000,000)		(000)	1972	37.4	33.0	15.3	1971	33.7	28.3	13.9				2,631				2,452
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**5**  
**The Central National Bank of Cambridge**

Willard Patton  
*President*  
5 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	36.4	33.0	13.2	2,304
1971	28.2	25.3	12.5	2,050

**6**  
**The First National Bank of Chillicothe**

Cornell C. Hunter  
*President*  
4 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	47.6	43.0	17.8	3,078
1971	41.3	36.4	14.9	2,945

**7**  
**The Second National Bank of Circleville**

Earl W. Palm  
*President*  
2 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	18.1	16.1	7.7	997
1971	14.9	13.3	6.1	933

**8**  
**The Ohio State Bank Columbus**

Frank W. Kelley  
*President*  
15 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	105.0	92.4	52.6	8,525
1971	94.3	82.8	39.1	7,949

**13**  
**The Kenton Savings Bank**

George K. Logan, Jr.  
*President*  
4 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	21.4	18.8	9.0	1,304
1971	17.9	16.0	7.3	905

**14**  
**The Hocking Valley National Bank of Lancaster**

Joseph M. Hartman  
*President*  
4 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	40.2	35.6	21.1	2,427
1971	36.4	31.6	18.0	2,221

**15**  
**The Farmers & Merchants Bank of Logan**

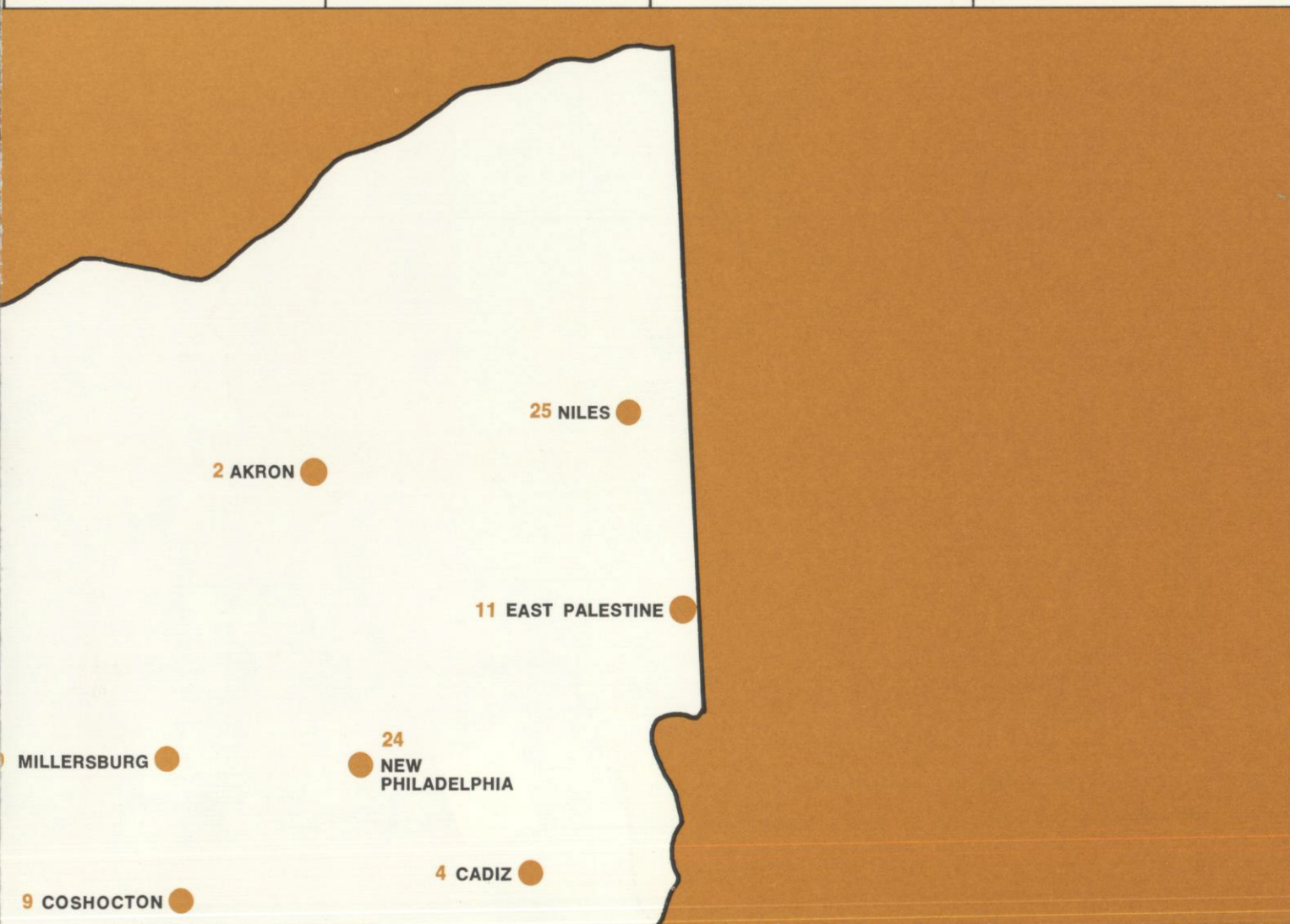
Ralph O. Moorehead  
*President*  
2 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	25.4	20.9	14.2	1,731
1971	22.3	18.6	11.5	1,654

**16**  
**The First National Bank of London**

Jack E. Phillips  
*President*  
1 Office

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	20.7	18.6	7.6	1,333
1971	18.4	16.3	7.5	1,254





**17  
Community National Bank,  
Loveland**

James E. Supinger  
*President*  
1 Office

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	7.7	6.3	4.2	479
1971				

**18  
The First National Bank  
of Marysville**

Gerald E. Dackin  
*President*  
2 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	26.4	23.6	12.7	1,549
1971	21.8	19.1	10.0	1,482

**19  
The Adams Bank,  
Millersburg**

R. B. Cary  
*President*  
1 Office

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	17.5	15.9	8.5	1,161
1971	13.8	12.7	7.9	815

**20  
The Knox County Savings  
Bank, Mount Vernon**

Rex C. Hostetler  
*President*  
2 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	24.5	21.2	11.5	1,741
1971	21.0	17.9	9.7	1,673

**25  
The Niles Bank Company**

James H. Berline  
*President*  
4 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	36.0	32.0	16.2	2,703
1971	29.3	25.5	13.5	2,483

**26  
The Citizens Banking  
Company, Perrysburg**

H. H. Goeke  
*President*  
2 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	19.4	17.7	6.1	1,375
1971	16.6	15.2	5.5	1,257

**27  
The National Bank  
of Portsmouth**

R. Vernon Miller  
*President*  
4 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	37.3	32.8	18.2	2,372
1971	32.4	28.0	14.2	2,207

**28  
The First National Bank  
of Springfield**

Donald J. Bishop  
*President*  
5 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	92.0	81.0	49.8	6,217
1971	89.1	75.5	45.7	5,902

32  
ZANESVILLE

5 CAMBRIDGE

23  
NEW  
LEXINGTON

LOGAN

# BANCOHIO

## AFFILIATE BANKS

### 21 The Community Bank, Napoleon

William Merz  
*President*  
2 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	26.8	23.6	11.7	2,285
1971	25.3	22.4	8.4	2,165

### 22 The First National Bank of Newark

Donald E. Jacoby  
*President*  
8 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	67.5	59.5	38.6	4,676
1971	55.8	48.2	27.8	4,032

### 23 The Perry County Bank, New Lexington

Lester G. Essington  
*President*  
2 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	19.2	17.1	7.7	1,277
1971	9.7	8.6	2.6	655

### 24 The Ohio Savings and Trust Company, New Philadelphia

David B. Abbuhl  
*President*  
3 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	30.9	27.9	17.3	2,200
1971	25.3	23.0	15.5	1,703

### 29 First National Bank of Tiffin

Kenneth H. Myers  
*President*  
3 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	27.0	24.4	11.6	1,606
1971	23.7	21.3	10.1	1,508

### 30 The First National Bank of Washington Court House

Albert R. Bryant  
*President*  
3 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	23.2	21.1	8.1	1,452
1971	20.3	17.8	7.1	1,369

### 31 The First National Bank of Wilmington

R. H. Olinger  
*President*  
3 Offices

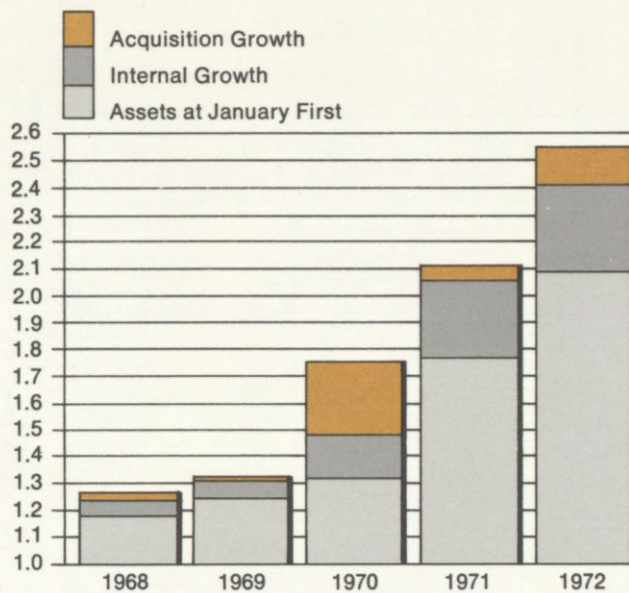
	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	20.1	18.0	10.3	1,180
1971	17.3	15.4	8.3	1,085

### 32 The Citizens National Bank in Zanesville

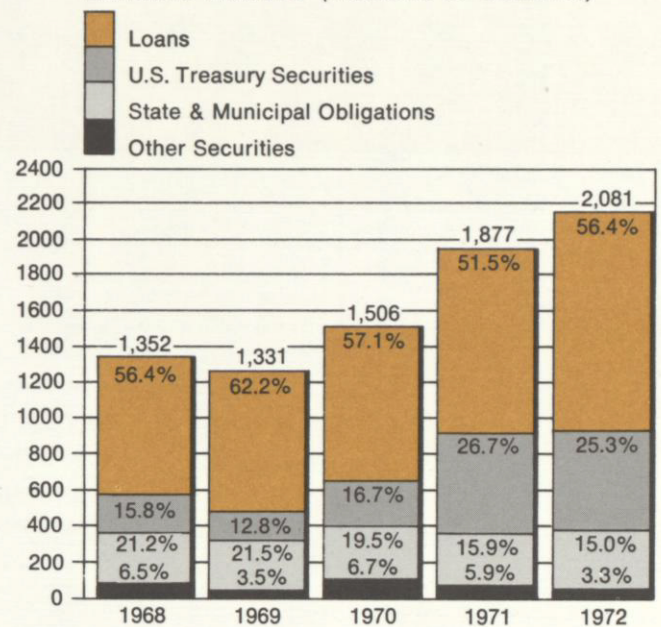
Charles B. Moody  
*President*  
3 Offices

	Assets	Deposits	Loans	Capital Funds
	(000,000)	(000,000)	(000,000)	(000)
1972	46.5	40.5	22.3	3,600
1971	41.6	35.8	18.6	3,262

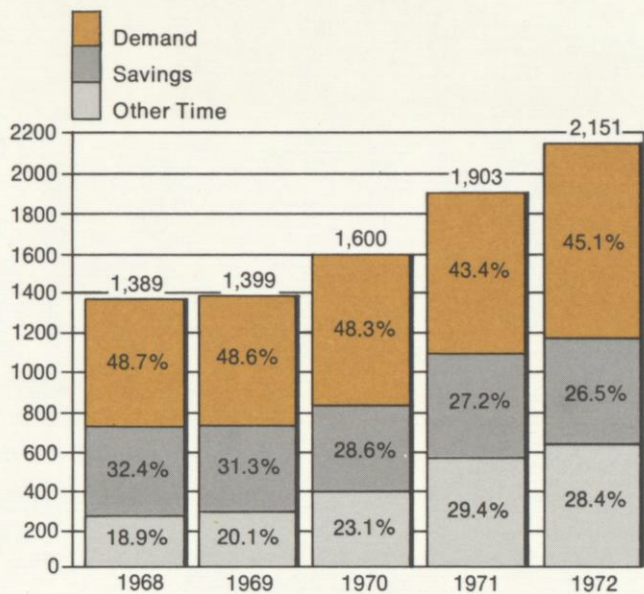
**ASSET GROWTH (DOLLARS)**



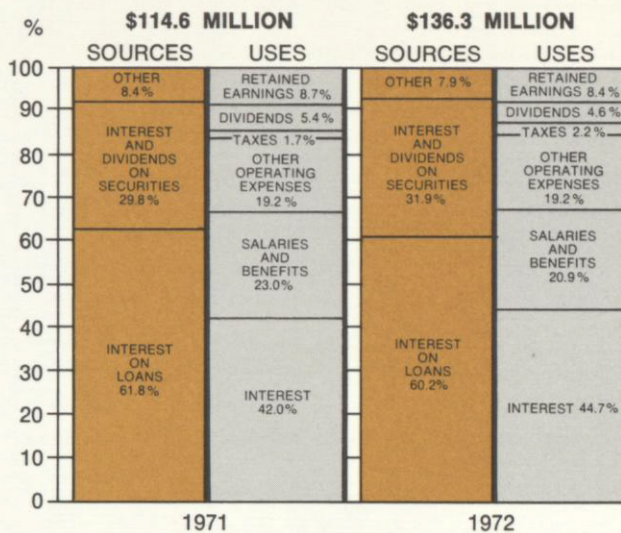
**EARNING ASSETS (MILLIONS OF DOLLARS)**



# TOTAL DEPOSITS (MILLIONS OF DOLLARS)



# SOURCES AND USE OF OPERATING INCOME



# **CONSOLIDATED BALANCE SHEET**

	DECEMBER 31	
	1972	1971
<b>ASSETS</b>		
CASH AND DUE FROM BANKS.....	\$ 257,850,872	\$ 248,170,480
SECURITIES (Note 3):		
United States Treasury securities.....	525,932,563	501,097,492
State and municipal obligations.....	312,574,451	298,840,201
Other securities.....	167,880,247	109,942,985
Total securities.....	1,006,387,261	909,880,678
FUNDS SOLD.....	29,200,000	5,350,000
LOANS.....	1,174,673,970	967,486,616
BANKING PREMISES AND EQUIPMENT, LESS ACCUMULATED DEPRECIATION (Note 4).....	42,548,585	34,539,111
INTEREST RECEIVABLE.....	14,385,795	12,222,703
OTHER ASSETS.....	6,713,584	2,355,117
TOTAL.....	<u>\$2,531,760,067</u>	<u>\$2,180,004,705</u>
<b>LIABILITIES, RESERVES, AND SHAREHOLDERS' EQUITY</b>		
DEMAND DEPOSITS.....	\$ 971,060,091	\$ 826,392,036
TIME DEPOSITS.....	1,180,120,835	1,076,233,131
Total deposits.....	2,151,180,926	1,902,625,167
FUNDS BORROWED.....	97,893,125	44,137,030
UNEARNED LOAN INCOME.....	52,604,453	41,511,956
INTEREST, TAXES, AND OTHER LIABILITIES.....	14,909,761	15,164,807
7% NOTES PAYABLE, DUE IN 1979.....	25,000,000	
Total liabilities.....	2,341,588,265	2,003,438,960
RESERVES FOR POSSIBLE LOAN LOSSES (Note 6).....	20,018,602	18,645,841
SHAREHOLDERS' EQUITY:		
Capital stock:		
Preferred stock—\$25.00 par value; 800,000 shares authorized but unissued.....		
Common stock—\$6.66 $\frac{2}{3}$ par value; authorized 10,000,000 shares, outstanding, 1972—6,650,949 shares, 1971—6,358,982 shares (Note 7).....	44,339,680	42,393,234
Capital surplus.....	79,125,724	73,088,418
Retained earnings.....	46,687,796	42,438,252
Total shareholders' equity.....	170,153,200	157,919,904
TOTAL.....	<u>\$2,531,760,067</u>	<u>\$2,180,004,705</u>

See Notes to Financial Statements

# STATEMENT OF CONSOLIDATED INCOME

	YEAR ENDED DECEMBER 31	
	1972	1971
OPERATING INCOME:		
Interest on loans.....	\$ 82,102,757	\$ 70,805,696
Interest and dividends on:		
United States Treasury securities.....	21,701,220	13,902,410
Obligations of States and municipal subdivisions.....	14,813,525	12,892,259
Other securities.....	7,014,228	7,397,747
Service charges on deposit accounts.....	4,020,055	3,755,465
Other operating income.....	6,679,272	5,828,440
Total operating income.....	<u>136,331,057</u>	<u>114,582,017</u>
OPERATING EXPENSES:		
Salaries and wages.....	24,988,411	23,253,845
Pensions and other employee benefits.....	3,546,268	3,096,316
Interest on deposits.....	54,567,745	44,620,888
Interest on 7% notes.....	1,104,688	
Interest on other funds borrowed.....	6,017,103	3,472,680
Depreciation.....	1,987,092	1,867,494
Provision for loan losses (Note 6).....	1,839,858	1,360,231
Taxes other than income taxes.....	3,683,511	3,511,013
Other operating expenses.....	17,907,192	16,490,102
Total operating expenses.....	<u>115,641,868</u>	<u>97,672,569</u>
INCOME BEFORE INCOME TAXES AND SECURITIES GAINS.....	20,689,189	16,909,448
APPLICABLE INCOME TAXES (including deferred taxes, 1972—\$1,226,000; 1971—\$915,000).....	2,945,000	1,992,401
INCOME BEFORE SECURITIES GAINS.....	17,744,189	14,917,047
SECURITIES GAINS (less related income taxes, 1972—\$925,000; 1971—\$2,570,000).....	1,001,725	2,842,801
NET INCOME.....	<u>\$ 18,745,914</u>	<u>\$ 17,759,848</u>
EARNINGS PER COMMON SHARE:		
Income before securities gains.....	\$2.68	\$2.26
Securities gains.....	.15	.43
Net income.....	<u>\$2.83</u>	<u>\$2.69</u>

See Notes to Financial Statements

## STATEMENTS OF CONSOLIDATED CAPITAL SURPLUS AND RETAINED EARNINGS

	YEAR ENDED DECEMBER 31	
	1972	1971
<b>CAPITAL SURPLUS:</b>		
Balance at beginning of year (including \$1,695,175 and \$1,632,850 applicable to pooled subsidiaries).....	\$73,088,418	\$68,080,775
Stock dividend.....	5,311,159	4,683,211
Other adjustments.....	726,147	324,432
Balance at end of year.....	<u>\$79,125,724</u>	<u>\$73,088,418</u>
<b>RETAINED EARNINGS:</b>		
Balance at beginning of year (including \$2,949,963 and \$2,535,068 applicable to pooled subsidiaries).....	\$42,438,252	\$37,685,387
Net income.....	18,745,914	17,759,848
Dividends paid:		
Stock—4%.....	(7,137,966)	(6,243,253)
Cash (1972—\$.96 per share; 1971—\$.92 per share).....	(6,288,005)	(5,819,754)
Pooled subsidiaries prior to acquisition.....	(78,500)	(244,835)
Transfer to reserve for possible loan losses.....	(1,036,136)	(791,034)
Other adjustments.....	44,237	91,893
Balance at end of year.....	<u>\$46,687,796</u>	<u>\$42,438,252</u>

See Notes to Financial Statements

# STATEMENT OF CHANGES IN CONSOLIDATED FINANCIAL POSITION

	YEAR ENDED 1972	DECEMBER 31 1971
SOURCE OF FUNDS:		
Net income.....	\$ 18,745,914	\$ 17,759,848
Non-cash charges to income.....	5,052,950	4,142,725
Funds provided from operations.....	23,798,864	21,902,573
Increase in deposits.....	248,555,759	302,947,780
Decrease in funds sold.....		13,400,000
Increase in funds borrowed.....	53,756,095	20,471,190
Sale of 7% notes due in 1979.....	25,000,000	
Other.....	2,476,682	4,350,290
Decrease in cash and due from banks.....		23,034,067
TOTAL.....	<u>\$353,587,400</u>	<u>\$386,105,900</u>
APPLICATION OF FUNDS:		
Increase in loans.....	\$207,187,354	\$107,387,001
Increase in securities.....	96,506,583	264,043,967
Additions to banking premises and equipment—net.....	9,996,566	8,610,343
Cash dividends paid.....	6,366,505	6,064,589
Increase in funds sold.....	23,850,000	
Increase in cash and due from banks.....	9,680,392	
TOTAL.....	<u>\$353,587,400</u>	<u>\$386,105,900</u>

See Notes to Financial Statements

## NOTES TO FINANCIAL STATEMENTS

December 31, 1972

### 1. ACCOUNTING POLICIES

**Consolidation**—The consolidated financial statements include the accounts of BancOhio Corporation and its affiliated banking and non-banking subsidiaries. All significant intercompany transactions have been eliminated. The financial statements for the year ended December 31, 1971 were examined by other accountants.

**Securities**—Investment securities are carried in the consolidated balance sheet at cost, adjusted for amortization of premiums. Bond discount has not been accreted because it is not significant. Trading account securities are carried at the lower of cost or market.

**Reserve For Possible Loan Losses**—The provision for loan losses charged to operating expense by the affiliated banks is an amount equivalent to the ratio of losses computed on the basis of five-year average net charge-offs to total loans outstanding. The additional amount transferred from retained earnings is generally based upon the maximum allowed for tax purposes.

**Banking Premises and Equipment**—Banking premises and equipment are stated at cost less accumulated depreciation. Depreciation is computed primarily using the sum of the years digits and straight-line methods over the estimated useful lives of the assets.

**Earnings Per Share**—Earnings per common share have been computed based on the weighted average number of shares of common stock outstanding during each year after giving retroactive effect to poolings of interest.

### 2. ACQUISITIONS

In 1971 BancOhio acquired substantially all of the outstanding stock of The Adams Bank, Millersburg, and The Citizens Banking Company, Perrysburg, in exchange for 18,000 and 47,687 shares, respectively, of the Corporation's common stock.

In 1972 BancOhio acquired substantially all of the capital stock of The Niles Bank Company, The Ohio Savings and Trust Company, New Philadelphia, and The Central National Bank, Cambridge, in exchange for 99,699, 64,976, and 110,159 shares, respectively, of the Corporation's common stock. These transactions have been accounted for as poolings of interests and, accordingly, the consolidated financial statements have been restated to include the acquired banks for both periods.

In addition, The Peoples Bank, Thornville, was merged into the Perry County Bank, New Lexington, an affiliate, in January 1972 and The Johnstown Bank was merged into The First National Bank, Newark, an affiliate, in August 1972. These mergers were accounted for as poolings of interests and resulted in the issuance of 14,139 and 27,494 shares of the Corporation's common stock. The financial statements were not restated since the effect would not be material on the consolidated financial statements.

The Corporation has agreed (subject to certain conditions, including approval of various regulatory authorities) to acquire substantially all of the outstanding stock of four other banks in ex-

change for an aggregate of 317,880 shares of the Corporation's common stock. These acquisitions are expected to be consummated in 1973 and accounted for as poolings of interests.

The Corporation has also agreed (subject to certain conditions, including approval of various regulatory authorities) to acquire substantially all of the capital stock of Capital National Bank, Cleveland, for approximately \$8,500,000 in cash and of Citizensbank National Association, Felicity, for approximately \$1,000,000 in cash. These acquisitions are expected to be consummated in 1973 and accounted for as purchases.

The aforementioned acquisitions are not material to the consolidated financial condition or results of operations of the Corporation and, accordingly, their effect is not separately shown.

### 3. SECURITIES

The estimated market value of securities at December 31, 1972 and 1971 was as follows:

	1972	1971
United States Treasury securities .....	\$519,168,924	\$499,009,581
State and municipal obligations .....	305,780,552	299,244,362
Other securities .....	167,227,556	109,009,135
Total .....	<u>\$992,177,032</u>	<u>\$907,263,078</u>

### 4. BANKING PREMISES AND EQUIPMENT

The major categories of banking premises and equipment and accumulated depreciation at December 31, 1972 and 1971 are as follows:

	1972	1971
Land .....	\$13,517,334	\$11,331,862
Buildings and improvements .....	36,035,091	30,683,003
Equipment .....	11,205,704	9,109,310
Total .....	<u>60,758,129</u>	<u>51,124,175</u>
Less accumulated depreciation .....	<u>18,209,544</u>	<u>16,585,064</u>
Banking premises and equipment—net .....	<u>\$42,548,585</u>	<u>\$34,539,111</u>

Effective January 1, 1972, the Corporation adopted, for financial reporting purposes, the policy of depreciating all newly acquired equipment on the straight-line method. This change had no material effect upon operations for 1972. This policy had been previously adopted for banking premises.

### 5. ASSETS PLEDGED

At December 31, 1972 and 1971, securities and other assets carried at \$607,024,909 and \$476,230,485, respectively, were pledged to secure public deposits and for other purposes, as required by law.

#### 6. RESERVES FOR POSSIBLE LOAN LOSSES

Transactions in the Reserves for Possible Loan Losses for 1972 and 1971 are summarized as follows:

	1972	1971
Balance at beginning of year (including \$477,128 and \$415,799 applicable to pooled subsidiaries) .....	\$18,645,841	\$17,913,791
Add:		
Incident to mergers of banks .....	83,041	
Provision charged to operating expenses .....	1,839,858	1,360,231
Transferred from retained earnings .....	1,036,136	791,034
Deferred tax charged against income ....	956,434	711,481
Deduct—losses charged to reserves less recoveries of \$957,376 and \$758,424 on loans previously charged off .....	2,542,708	2,130,696
Balance at end of year .....	<u>\$20,018,602</u>	<u>\$18,645,841</u>

The composition of the Reserves for Possible Loan Losses is summarized as follows:

	December 31 1972	1971
Valuation portion— cumulative provisions for loan losses (less net write-offs) charged to operating expenses .....	\$14,142,532	\$14,762,341
Contingency portion— cumulative transfers from retained earnings and related deferred tax charges .....	5,876,070	3,883,500
Total .....	<u>\$20,018,602</u>	<u>\$18,645,841</u>

#### 7. CAPITAL STOCK

On March 22, 1972, the shareholders amended the articles of incorporation to change the number and par value of the preferred shares authorized from 200,000 shares of \$100 par value to 800,000 shares of \$25 par value.

The increase in capital stock results from the issuance of 250,334 shares and 234,005 shares in connection with the 4% stock dividend in November 1972 and 1971, respectively, and the shares issued in connection with the various acquisitions.

#### 8. PENSION PLANS

Substantially all employees of the Corporation and the affiliated banks are eligible to participate

in non-contributory trustee pension plans. Payments to pension funds and pension expense, including amortization of prior service cost over approximately ten years, for the years ended December 31, 1972 and 1971 were \$1,282,000 and \$1,199,000, respectively.

9. **COMMITMENTS AND CONTINGENT LIABILITIES**

The Corporation utilizes banking facilities and equipment under leases to 1994 at approximate annual rentals of \$835,000.

In the normal course of business there are outstanding various commitments and contingent liabilities, such as guarantees, commitments to extend credit, etc., which are not reflected in the accompanying financial statements. The Corporation does not anticipate losses as a result of these transactions.

**ACCOUNTANTS' OPINION**

**To the Shareholders and Directors of BancOhio Corporation:**

We have examined the consolidated balance sheet of BancOhio Corporation and subsidiaries as of December 31, 1972 and the related statements of consolidated income, capital surplus, retained earnings, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the above-mentioned financial statements present fairly the financial position of BancOhio Corporation and subsidiaries at December 31, 1972 and the results of their operations and changes in their financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Columbus, Ohio  
January 17, 1973

*Haskins + Sells*

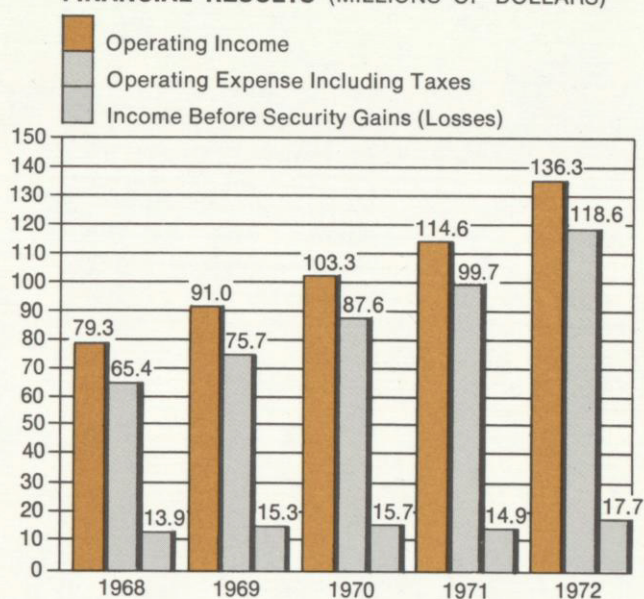
## CONSOLIDATED TEN YEAR FINANCIAL SUMMARY

Financial Results (in thousands)	1972	1971	1970
Operating income.....	\$ 136,331	\$ 114,582	\$ 103,332
Operating expense.....	115,642	97,673	84,187
Applicable income taxes.....	2,945	1,992	3,453
Income before securities gains (losses).....	17,744	14,917	15,692
Securities gains (losses) less related tax.....	1,002	2,843	1,167
Net income.....	18,746	17,760	16,859
Loans.....	1,174,674	967,487	860,100
U.S. Treasury securities.....	525,933	501,097	250,916
State and municipal obligations.....	312,574	298,840	293,026
Other securities.....	167,880	109,943	101,895
Total assets.....	2,531,760	2,180,005	1,837,837
Deposits.....	2,151,181	1,902,625	1,599,677
Reserves for possible loan losses.....	20,019	18,646	17,915
Shareholders' equity.....	170,153	157,920	146,422
Earnings, Dividends and Shareholders' Equity (per share)			
Income before securities gains (losses).....	2.68	2.26	2.38
Net income.....	2.83	2.69	2.56
Cash dividends.....	.96	.92	.88
Stock dividends.....	4%	4%	4%
Shareholders' equity.....	25.58	23.89	22.25
Miscellaneous			
Number of employees.....	3,931	3,589	3,464
Number of banking offices.....	151	131	124
Number of banks.....	32	28	26
Number of stockholders.....	12,797	11,843	11,385

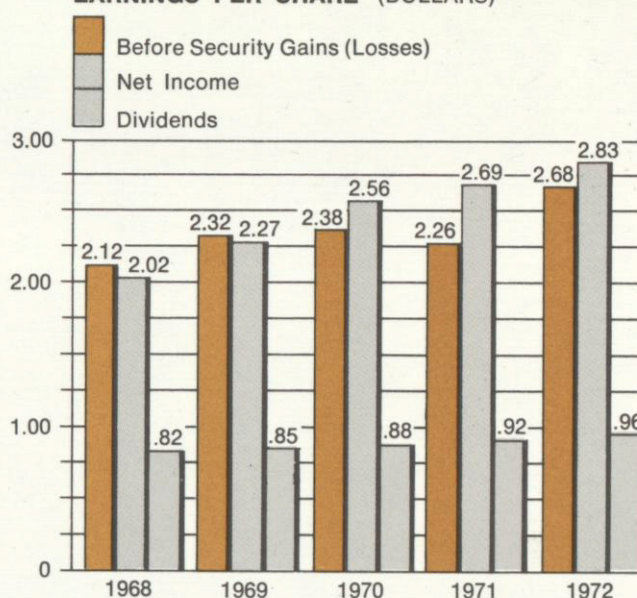
Dollar amounts in the consolidated ten-year financial summary have been restated to include pooled companies for all years.

The accrual method of accounting was adopted in 1967. Amounts as reported for prior years have not been restated. This change did not have a significant effect on net operating income or capital and surplus in the year of change.

# FINANCIAL RESULTS (MILLIONS OF DOLLARS)



# EARNINGS PER SHARE (DOLLARS)



1969	1968	1967	1966	1965	1964	1963
\$ 90,982	\$ 79,348	\$ 71,141	\$ 61,802	\$ 53,291	\$ 48,683	\$ 45,178
71,447	61,237	53,950	45,544	39,308	33,465	31,701
4,263	4,183	4,339	4,713	4,334	5,613	5,091
15,272	13,928	12,852	11,545	9,649	9,605	8,386
(322)	(678)	310	(576)	(467)	(465)	413
14,950	13,250	13,162	10,969	9,182	9,140	8,799
826,960	762,713	671,606	667,980	588,669	492,393	462,048
170,157	212,989	246,990	177,150	204,216	216,014	228,277
286,651	287,019	251,484	214,619	194,824	153,587	134,167
46,900	89,272	47,758	44,236	30,785	32,510	48,876
1,654,945	1,581,303	1,475,174	1,320,760	1,226,753	1,098,045	1,035,969
1,399,042	1,388,847	1,278,359	1,154,534	1,076,886	972,504	919,550
17,753	16,384	14,874	14,280	11,976	10,204	9,610
135,178	125,132	117,654	105,602	99,874	90,056	84,245
2.32	2.12	1.96	1.76	1.49	1.49	1.30
2.27	2.02	2.01	1.67	1.42	1.41	1.36
.85	.82	.68	.59	.53	.49	.45
4%	4%	4%	4%	—	6%	5%
20.54	19.08	17.94	16.11	15.24	13.92	13.03
2,718	2,347	2,257	2,157	2,062	2,014	1,955
95	88	86	81	78	71	68
22	22	23	23	23	22	22
9,254	8,736	8,227	7,750	7,117	6,764	6,309

Per share amounts of consolidated income are based on average shares outstanding during each year. All per share amounts are adjusted to reflect the 3 for 1 stock split effective January 4, 1966 and stock dividends.

## BOARD OF DIRECTORS

JOHN L. BURGOON

*Senior Vice President, Secretary and Treasurer  
of the Corporation*

JOHN M. CAREN

*Retired General Counsel of the Corporation*

EDWARD A. HANF

*Retired Senior Vice President and Treasurer  
of the Corporation*

VINCENT H. JOHNSON

*Chairman of the Board and Chief Executive Officer,  
Akron National Bank and Trust Company*

GEORGE W. KAUFFMAN

*President, Kauffman-Lattimer Company*

HENRY M. O'NEILL, SR.

*Chairman Emeritus and Director,  
Beverage Management, Inc.*

GREENVILLE T. PACE

*Senior Vice President of the Corporation*

PHILIP F. SEARLE

*President and Chief Executive Officer of the Corporation*

LELAND A. STONER

*Retired Chairman of the Board of The Ohio National  
Bank of Columbus*

EDGAR T. WOLFE, JR.

*Publisher of The Columbus Dispatch*

JOHN W. WOLFE

*Vice President of the Corporation*

PRESTON WOLFE

*Director of The Dispatch Printing Company*

## OFFICERS

### EXECUTIVE OFFICE

Philip F. Searle

*President and Chief Executive Officer*

John W. Wolfe

*Vice President*

## OPERATIONS AND ADMINISTRATION

John L. Burgoon

*Senior Vice President, Secretary and Treasurer*

Robert F. Weber

*Vice President*

Shirley I. Brightwell

*Assistant Treasurer*

### ACCOUNTING

Philip A. Goldslager

*Comptroller*

O. J. Iacoboni

*Staff Officer*

### ACCRUAL

Delbert Johnson

*Staff Officer*

### AUDITING

Peter D. Webster

*Auditor*

Richard Adcock

*Assistant Auditor*

James Murphy

*Assistant Auditor*

### DATA PROCESSING

Ralph L. Hughes

*Vice President and Director of Data Processing*

### OPERATIONS LIAISON

Lester Vincent

*Operations Officer*

### PERSONNEL

Harold M. Haas

*Assistant Vice President*

#### **INVESTMENT DEPARTMENT**

Greenville T. Pace  
Senior Vice President  
John Grace  
Investment Officer  
Larry S. Rinehart  
Investment Operations Officer

#### **CREDIT SERVICES DEPARTMENT**

James C. Hoover  
Vice President

#### **AFFILIATE LIAISON**

William N. Dearth  
Vice President  
John Tavener  
Vice President  
George Apelian  
Assistant Vice President  
James R. Anspaugh  
Loan Officer  
W. Alex Cook  
Loan Officer

#### **CONSUMER LOAN COORDINATION**

C. Wade Terry  
Vice President

#### **BANK AFFILIATIONS AND CORPORATE DEVELOPMENT**

Ken K. Feintheil  
Vice President  
T. E. Penning  
Vice President

#### **LEASING**

Edward W. Miller, Jr.  
Assistant Vice President

#### **MARKETING AND BUSINESS DEVELOPMENT**

James W. Wentling  
Vice President, Economist and Director of Marketing  
Dennis J. Miller  
Staff Officer and Director of Sales Training

#### **LEGAL AND REGULATORY**

Robert M. Edwards  
Vice President and Assistant Secretary

**BANCOHIO CORPORATION**

**51 North High Street,**

**Columbus, Ohio 43216**